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October 3, 2000

ORIGINAL

BY HAND DELIVERY

Magalie Roman Salas, Secretary
Federal Communications Commission
445 12th Street, S.W.
12th Street Lobby, TW-A325
Washington, D.C. 20554

RECEIVED

OCT 3 2000

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

**Re: In Re Provision of Directory Listing Information Under the
Telecommunications Act of 1934, As Amended,
CC Docket No. 99-273**

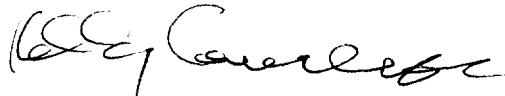
Dear Ms. Salas:

Pursuant to Section 1.1206(b) of the Commission's Rules, this letter is to inform the Commission that Brett Haan, Vice President of Telegate, Inc. and I met with Kyle Dixon, legal advisor to Commissioner Powell, on October 2, 2000.

The meeting was held to discuss issues related to Telegate's proposal for pre-subscription of 411. In particular, we emphasized the important consumer benefits to be expected from 411 pre-subscription, especially when balanced against the modest cost of implementing Telegate's proposal. We discussed the issues summarized in the attached Powerpoint presentation and also provided Mr. Dixon a copy of Telegate's written ex parte submission of March 10, 2000, which is a part of this docket.

Should there be any questions concerning this matter, please contact the undersigned.

Very truly yours,



Kelly Cameron
For Powell, Goldstein, Frazer & Murphy LLP

Cc: Kyle Dixon

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Presubscription to 411

Presentation by Telegate Inc.

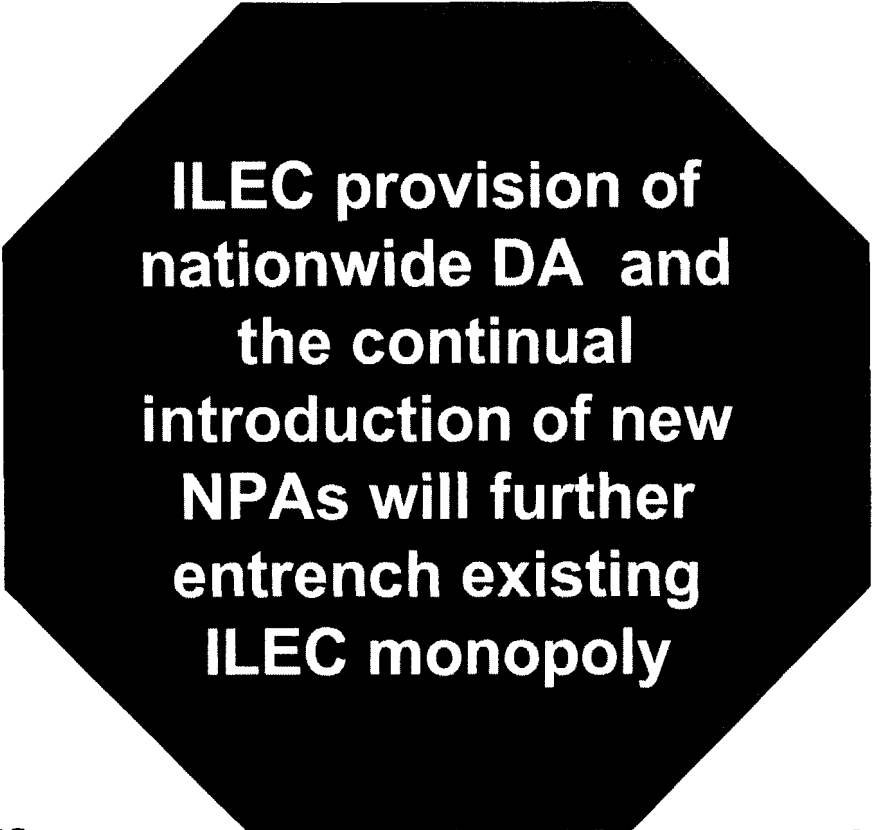
September 28, 2000

411 Directory Assistance

- Universally recognized dialing code for directory assistance
- \$4 billion industry and growing rapidly
- Monopoly control by ILECs

ILEC Monopoly Control over 411 DA Has Lead to Predictable Harms

- Inaccurate Information
 - Accuracy rates of 80% at best
- Poor Service Quality
- Reduced Innovation
- Unserved Communities
(e.g. Spanish speakers)



**ILEC provision of
nationwide DA and
the continual
introduction of new
NPAs will further
entrench existing
ILEC monopoly**

Competition for 411 DA Has Obvious Benefits for Consumers

- Incentives to provide accurate information
- Improved service quality
- More innovation
- Service to underserved communities

Telegate's Track Record on DA

- ✓ **98% accuracy**
- ✓ **Serving Underserved markets**
 - Turkish speakers in Germany
 - Plan to target Spanish speakers in U.S.
- ✓ **Job creation:**
 - Germany:
 - 2,000 new jobs
 - Majority high unemployment areas
 - U.S. – plan to build call centers in rural and inner city areas
- ✓ **Bridging Digital divide:** Creating jobs with a future through training to provide enhanced 411 and other information services.

Recognized in Germany as
1999 Employer of the Year

FCC Should Allow Consumers to Presubscribe to 411 DA Service

- FCC has recognized value of 411 to consumers
- Despite visible, expensive marketing campaigns for dial-around DA services, even AT&T and MCI-Worldcom could not compete with ILEC 411 DA
- Presubscription proven successful by long distance competition

Telegate's 411 Presubscription Proposal is a Practical Solution that can be Implemented Cheaply and Easily

- **Technical:** routes calls to subscriber's preferred DA provider using software that is already deployed in vast majority of central office switches.
 - Advanced Intelligent Network software (AIN)
 - Signalling System 7 (SS7)
- **Practical:** proposes balloting and allocation procedure as fairest, most pro-competitive method
- **Costs:**
 - Technical fix approx. \$21M
 - Just over \$1/line (one-time charge)

FCC Has Complete Record and Can Establish 411 Presubscription Now

- September 9, 1999: FCC releases Directory Listing Information NPRM
- October 13, 1999 Telegate files Comments proposing allowing customers to choose their 411 DA provider.
- March 10, 2000 Telegate files detailed *ex parte* outlining proposal
- April 27, 2000: FCC releases Public Notice seeking comment on Telegate's proposal
- May 30, 2000: 15 parties file Comments
- June 14, 2000: 8 parties file Reply Comments

About Telegate Inc.

- Subsidiary of Telegate AG
 - Competitive provider of DA in Germany
 - Acquired 22% of the market in just 3 years.
- Entering US Market:
 - May 2000: Acquired CFW's DA operations
 - outsourcer to AT&T and others
 - Building 2 call centers to provide Spanish language DA